

MATERIALS TRANSFER AGREEMENT

Provider:

SimBioSys Inc.

Recipient:

National Center for Computational Toxicology (NCCT)
Office of Research and Development (ORD)
U.S. Environmental Protection Agency (EPA)

1. Provider agrees to transfer to Recipient's Investigator named below the following Research Material:

eHiTS computer program for multiple processors until the end of ToxCast Phase I or Mar 31 2008, whichever comes first.

2. This Research Material may not be used in human subjects. The Research Material will be used only for research purposes by Recipient's investigator in his/her laboratory, for the research project described below, under suitable containment conditions. This Research Material will not be used for screening, production or sale, for which a commercialization license may be required. Recipient agrees to comply with all Federal rules and regulations applicable to the Research Project and the handling of the Research Material.

2(a). Were Research Materials collected according to 45 C.F.R. Part 46, "Protection of Human Subjects?"

☐ Yes (Please provide Assurance Number: _____)

☐ No

☒ Not Applicable (Materials not collected from humans)

3. This Research Material will be used by Recipient's investigator solely in connection with the following research project ("Research Project") described with specificity as follows (*use an attachment page if necessary*): A major goal of the National Center for Computational Toxicology is to develop methods to screen untested chemicals for potential environmental effects. A group of 340 chemicals has been identified for an initial test of the capability of selected in vitro and in silico (computational) approaches to predict potential health and environmental outcomes. Statistical and informatics methods will be used to derive the relationships (if any) between the parameters obtained from these approaches and known outcomes. The eHiTS program will be used to derive some of the in silico parameters to be used in this study. In order to insure the validity of the parameters derived from eHiTS a large number of known ligands will also be studied computationally. The eHiTS program simulates the interaction of a chemical with a protein, often a receptor. The study may include as many as 500 proteins of known structure and as many as 2,500 potential and known ligands, including the 340 discussed above.

4. In all oral presentations or written publications concerning the Research Project, Recipient will acknowledge Provider's contribution of this Research Material unless requested otherwise. To the extent

permitted by law, Recipient agrees to treat as confidential, any of Provider's written information about this Research Material that is stamped "CONFIDENTIAL" for a period of three (3) years from the date of its disclosure to recipient. The foregoing shall not apply to information that is or becomes publicly available or which is disclosed to Recipient without a confidentiality obligation. Any oral disclosures from Provider to Recipient which Provider wishes to be treated as confidential shall be identified as being Confidential at the time of the disclosure and by written notice delivered to Recipient within thirty (30) days after the date of the oral disclosure. Recipient may publish or otherwise publicly disclose the results of the Research Project, but if Provider has given Confidential information to Recipient, such public disclosure may be made only after Provider has had thirty (30) days to review the proposed disclosure to determine if it includes any Confidential information, to the extent such review period is permitted by law.

5. This Research Material represents a significant investment on the part of Provider and is considered proprietary to Provider. Recipient's investigator therefore agrees to retain control over this Research Material and further agrees not to transfer the Research Material to other people not under his/her direct supervision without advance written approval of Provider. Provider reserves the right to distribute the Research Material to others and to use it for its own purposes. When the Research Project is completed, the Research Material will be returned to the Provider or disposed, if directed by Provider.

6. This Research Material is provided as a service to the research community. It is being supplied to Recipient with no warranties, express or implied, including any warranty of merchantability or fitness for a particular purpose. Provider makes no representations that the use of the Research Material will not infringe any patent or proprietary rights of third parties.

7. Recipient shall retain title to any patent or other intellectual property rights in inventions made by its employees in the course of the Research Project. However, if said inventions contain any portion of the Research Material, are derived from the Research Material, or could not have been produced but for the use of the Research Material, Recipient agrees to contact the Provider to determine what ownership interests, if any, the Provider may have, and, where applicable, to negotiate in good faith the terms of a commercial license. Inventorship for a patent application or a commercialized product based on said inventions shall be determined according to United States patent law.

8. When Provider is the EPA: Recipient agrees not to claim, infer, or imply endorsement by the Government of the United States of America (hereinafter referred to as "Government") of the Research Project, the institution or personnel conducting the Research Project or any resulting product(s). Recipient agrees to hold the Government harmless and to indemnify the Government for all liabilities, demands, damages, expenses and losses arising out of Recipient's use for any purpose of the Research Material. *(Not Applicable for this MTA)*

9. When Recipient is the EPA: Provider will not be liable to EPA for any claims or damages arising from EPA's use of the Research Material.

10. The Provider shall have the right to terminate this Agreement at any time if Recipient breaches any of the terms of this Agreement. Upon termination, Recipient shall return to the Provider all unused portions of the Research Materials.

11. All notices pertaining to or required by this Agreement shall be in writing and shall be signed by an authorized representative and shall be delivered by hand (including private courier mail service) or sent by certified mail, return receipt requested, with postage prepaid, addressed as follows:

Provider's Official and Mailing Address:

Aniko Simon, PhD
VP Business Development
SimBioSys, Inc.
135 Queen's Plate Drive
Unit 520.
Toronto, Ontario
M9W 6V1, Canada

Recipient's Official and Mailing Address:

Robert J. Kavlock, Director
National Center for Computational Toxicology
U.S. EPA (MD-B-205-01)
4930 Old Page Rd.
Research Triangle Park, NC 27711

12. Paragraphs 2, 6, 8 and 9 shall survive termination.

13. This Agreement shall be construed in accordance with law as applied by the Federal courts in the District of Columbia.

14. The undersigned Provider and Recipient expressly certify and affirm that the contents of any statements made herein are truthful and accurate.